

House File 520

H-1423

1 Amend the amendment, H-1420, to House File 520 as follows:

2 1. By striking page 1, line 1, through page 21, line 20, and
3 inserting:

4 <Amend House File 520 as follows:

5 _____. By striking everything after the enacting clause and
6 inserting:

7 <Section 1. NEW SECTION. **124.201A Cannabidiol**
8 **investigational product — rules.**

9 1. If a cannabidiol investigational product approved as
10 a prescription drug medication by the United States food and
11 drug administration is eliminated from or revised in the
12 federal schedule of controlled substances by the federal drug
13 enforcement agency and notice of the elimination or revision
14 is given to the board, the board shall similarly eliminate
15 or revise the prescription drug medication in the schedule
16 of controlled substances under this chapter. Such action by
17 the board shall be immediately effective upon the date of
18 publication of the final regulation containing the elimination
19 or revision in the federal register.

20 2. The board shall adopt rules pursuant to chapter 17A
21 to administer this section. The board may adopt rules on an
22 emergency basis as provided in section 17A.4, subsection 3, and
23 section 17A.5, subsection 2, to administer this section, and
24 the rules shall be effective immediately upon filing unless
25 a later date is specified in the rules. Any emergency rules
26 adopted in accordance with this section shall also be published
27 as a notice of intended action as provided in section 17A.4,
28 subsection 1.

29 Sec. 2. Section 124.204, subsection 4, paragraphs m and u,
30 Code 2017, are amended by striking the paragraphs.

31 Sec. 3. Section 124.204, subsection 7, Code 2017, is amended
32 by striking the subsection.

33 Sec. 4. Section 124.206, subsection 7, Code 2017, is amended
34 to read as follows:

35 7. *Hallucinogenic substances.* Unless specifically excepted

1 or unless listed in another schedule, any material, compound,
2 mixture, or preparation which contains any quantity of the
3 following substances, or, for purposes of paragraphs "a" and
4 "b", which contains any of its salts, isomers, or salts of
5 isomers whenever the existence of such salts, isomers, or salts
6 of isomers is possible within the specific chemical designation
7 (for purposes of this paragraph only, the term "isomer"
8 includes the optical, positional, and geometric isomers):

9 a. ~~Marijuana when used for medicinal purposes pursuant to~~
10 ~~rules of the board.~~

11 b. Tetrahydrocannabinols, meaning tetrahydrocannabinols
12 naturally contained in a plant of the genus cannabis (cannabis
13 plant) as well as synthetic equivalents of the substances
14 contained in the cannabis plant, or in the resinous extractives
15 of such plant, and synthetic substances, derivatives, and their
16 isomers with similar chemical structure and pharmacological
17 activity to those substances contained in the plant, such as
18 the following:

19 (1) 1 cis or trans tetrahydrocannabinol, and their optical
20 isomers.

21 (2) 6 cis or trans tetrahydrocannabinol, and their optical
22 isomers.

23 (3) 3,4 cis or trans tetrahydrocannabinol, and their
24 optical isomers. (Since nomenclature of these substances
25 is not internationally standardized, compounds of these
26 structures, regardless of numerical designation of atomic
27 positions covered.)

28 ~~b.~~ c. Nabilone [another name for nabilone: (+-) -
29 trans-3-(1,1-dimethylheptyl)-6,6a,7,8,10,10a-hexahydro-1-
30 hydroxy-6,6-dimethyl-9H-dibenzo[b,d]pyran-9-one].

31 Sec. 5. Section 124.401, subsection 5, unnumbered paragraph
32 3, Code 2017, is amended to read as follows:

33 A person may knowingly or intentionally recommend, possess,
34 use, dispense, deliver, transport, or administer ~~cannabidiol~~
35 medical cannabis if the recommendation, possession, use,

1 dispensing, delivery, transporting, or administering is in
2 accordance with the provisions of [chapter ~~124D~~ 124E](#). For
3 purposes of this paragraph, "~~cannabidiol~~" "medical cannabis"
4 means the same as defined in [section ~~124D.2~~ 124E.2](#).

5 Sec. 6. NEW SECTION. 124E.1 Short title.

6 This chapter shall be known and may be cited as the
7 "*Compassionate Use of Medical Cannabis Act*".

8 Sec. 7. NEW SECTION. 124E.2 Definitions.

9 As used in this chapter:

10 1. "*Debilitating medical condition*" means any of the
11 following:

12 a. Cancer, if the underlying condition or treatment produces
13 one or more of the following:

14 (1) Intractable pain.

15 (2) Nausea or severe vomiting.

16 (3) Cachexia or severe wasting.

17 b. Multiple sclerosis.

18 c. Epilepsy or seizure disorders.

19 d. AIDS or HIV as defined in section 141A.1.

20 e. Glaucoma.

21 f. Hepatitis C.

22 g. Crohn's disease or ulcerative colitis.

23 h. Amyotrophic lateral sclerosis.

24 i. Ehlers-Danlos syndrome.

25 j. Post-traumatic stress disorder.

26 k. Tourette's syndrome.

27 l. Any terminal illness, with a probable life expectancy of
28 under one year, if the illness or its treatment produces one or
29 more of the following:

30 (1) Intractable pain.

31 (2) Nausea or severe vomiting.

32 (3) Cachexia or severe wasting.

33 m. Intractable pain.

34 n. Parkinson's disease.

35 o. Muscular dystrophy.

- 1 *p.* Huntington's disease.
- 2 *q.* Alzheimer's disease.
- 3 *r.* Complex regional pain syndrome, type I and II.
- 4 *s.* Rheumatoid arthritis.
- 5 *t.* Polyarteritis nodosa.
- 6 *u.* Any other chronic or debilitating disease or medical
7 condition or its medical treatment approved by the department
8 pursuant to rule.
- 9 2. "*Department*" means the department of public health.
- 10 3. "*Disqualifying felony offense*" means a violation under
11 federal or state law of a felony offense, which has as an
12 element the possession, use, or distribution of a controlled
13 substance, as defined in 21 U.S.C. §802(6).
- 14 4. "*Enclosed, locked facility*" means a closet, room,
15 greenhouse, or other enclosed area equipped with locks or
16 other security devices that permit access only by authorized
17 personnel.
- 18 5. "*Health care practitioner*" means an individual licensed
19 under chapter 148 to practice medicine and surgery or
20 osteopathic medicine and surgery or an individual licensed to
21 practice medicine in any other state who provides specialty
22 care for an Iowa resident for one or more of the debilitating
23 medical conditions provided in this chapter.
- 24 6. "*Intractable pain*" means a pain in which the cause of the
25 pain cannot be removed or otherwise treated with the consent
26 of the patient and which, in the generally accepted course of
27 medical practice, no relief or cure of the cause of the pain
28 is possible, or none has been found after reasonable efforts.
29 Reasonable efforts for relieving or curing the cause of the
30 pain may be determined on the basis of but are not limited to
31 any of the following:
- 32 *a.* When treating a nonterminally ill patient for intractable
33 pain, evaluation by the attending physician and one or more
34 physicians specializing in pain medicine or the treatment of
35 the area, system, or organ of the body perceived as the source

1 of the pain.

2 *b.* When treating a terminally ill patient, evaluation by
3 the attending physician who does so in accordance with the
4 level of care, skill, and treatment that would be recognized
5 by a reasonably prudent physician under similar conditions and
6 circumstances.

7 7. "*Medical cannabis*" means any species of the genus
8 cannabis plant, or any mixture or preparation of them,
9 including whole plant extracts and resins.

10 8. "*Medical cannabis dispensary*" means an entity licensed
11 under section 124E.8 that acquires medical cannabis from a
12 medical cannabis manufacturer in this state for the purpose
13 of dispensing medical cannabis in this state pursuant to this
14 chapter.

15 9. "*Medical cannabis manufacturer*" means an entity licensed
16 under section 124E.6 to manufacture and to possess, cultivate,
17 transport, or supply medical cannabis pursuant to the
18 provisions of this chapter.

19 10. "*Primary caregiver*" means a person, at least eighteen
20 years of age, who has been designated by a patient's health
21 care practitioner or a person having custody of a patient, as
22 a necessary caretaker taking responsibility for managing the
23 well-being of the patient with respect to the use of medical
24 cannabis pursuant to the provisions of this chapter.

25 11. "*Written certification*" means a document signed by a
26 health care practitioner, with whom the patient has established
27 a patient-provider relationship, which states that the patient
28 has a debilitating medical condition and identifies that
29 condition and provides any other relevant information.

30 Sec. 8. NEW SECTION. 124E.3 **Health care practitioner**
31 **certification — duties.**

32 1. Prior to a patient's submission of an application for a
33 medical cannabis registration card pursuant to section 124E.4,
34 a health care practitioner shall do all of the following:

35 *a.* Determine, in the health care practitioner's medical

1 judgment, whether the patient whom the health care practitioner
2 has examined and treated suffers from a debilitating medical
3 condition that qualifies for the use of medical cannabis under
4 this chapter, and if so determined, provide the patient with a
5 written certification of that diagnosis.

6 *b.* Provide explanatory information as provided by the
7 department to the patient about the therapeutic use of medical
8 cannabis.

9 *c.* Determine, on an annual basis, if the patient continues
10 to suffer from a debilitating medical condition and, if so,
11 issue the patient a new certification of that diagnosis. This
12 paragraph shall not apply if the patient is suffering from an
13 incurable debilitating medical condition.

14 *d.* Otherwise comply with all requirements established by the
15 department pursuant to rule.

16 2. A health care practitioner may provide, but has no duty
17 to provide, a written certification pursuant to this section.

18 Sec. 9. NEW SECTION. **124E.4 Medical cannabis registration**
19 **card.**

20 1. *Issuance to patient.* The department may approve the
21 issuance of a medical cannabis registration card by the
22 department of transportation to a patient who:

23 *a.* Is at least eighteen years of age.

24 *b.* Is a permanent resident of this state.

25 *c.* Submits a written certification to the department signed
26 by the patient's health care practitioner that the patient is
27 suffering from a debilitating medical condition.

28 *d.* Submits an application to the department, on a form
29 created by the department, in consultation with the department
30 of transportation, that contains all of the following:

31 (1) The patient's full name, Iowa residence address, date
32 of birth, and telephone number.

33 (2) A copy of the patient's valid photograph
34 identification.

35 (3) Full name, address, and telephone number of the

1 patient's health care practitioner.

2 (4) Full name, residence address, date of birth, and
3 telephone number of each primary caregiver of the patient, if
4 any.

5 (5) Any other information required by rule.

6 e. Submits a medical cannabis registration card fee of one
7 hundred dollars to the department. If the patient attests to
8 receiving social security disability benefits, supplemental
9 security insurance payments, or being enrolled in the medical
10 assistance program, the fee shall be twenty-five dollars.

11 2. *Patient card contents.* A medical cannabis registration
12 card issued to a patient by the department of transportation
13 pursuant to subsection 1 shall contain, at a minimum, all of
14 the following:

15 a. The patient's full name, Iowa residence address, and date
16 of birth.

17 b. The patient's photograph.

18 c. The date of issuance and expiration of the registration
19 card.

20 d. Any other information required by rule.

21 3. *Issuance to primary caregiver.* For a patient in a
22 primary caregiver's care, the department may approve the
23 issuance of a medical cannabis registration card by the
24 department of transportation to the primary caregiver who:

25 a. Submits a written certification to the department signed
26 by the patient's health care practitioner that the patient in
27 the primary caregiver's care is suffering from a debilitating
28 medical condition.

29 b. Submits an application to the department, on a form
30 created by the department, in consultation with the department
31 of transportation, that contains all of the following:

32 (1) The primary caregiver's full name, residence address,
33 date of birth, and telephone number.

34 (2) The patient's full name.

35 (3) A copy of the primary caregiver's valid photograph

1 identification.

2 (4) Full name, address, and telephone number of the
3 patient's health care practitioner.

4 (5) Any other information required by rule.

5 *c.* Submits a medical cannabis registration card fee of
6 twenty-five dollars to the department.

7 4. *Primary caregiver card contents.* A medical cannabis
8 registration card issued by the department of transportation to
9 a primary caregiver pursuant to subsection 3 shall contain, at
10 a minimum, all of the following:

11 *a.* The primary caregiver's full name, residence address, and
12 date of birth.

13 *b.* The primary caregiver's photograph.

14 *c.* The date of issuance and expiration of the registration
15 card.

16 *d.* The registration card number of each patient in the
17 primary caregiver's care. If the patient in the primary
18 caregiver's care is under the age of eighteen, the full name of
19 the patient's parent or legal guardian.

20 *e.* Any other information required by rule.

21 5. *Expiration date of card.* A medical cannabis registration
22 card issued pursuant to this section shall expire one year
23 after the date of issuance and may be renewed.

24 6. *Card issuance — department of transportation.*

25 *a.* The department may enter into a chapter 28E agreement
26 with the department of transportation to facilitate the
27 issuance of medical cannabis registration cards pursuant to
28 subsections 1 and 3.

29 *b.* The department of transportation may issue renewal
30 medical cannabis registration cards through an online or
31 in-person process.

32 **Sec. 10. NEW SECTION. 124E.5 Medical advisory board —**
33 **duties.**

34 1. No later than August 15, 2017, the director of public
35 health shall establish a medical advisory board consisting of

1 nine practitioners representing the fields of neurology, pain
2 management, gastroenterology, oncology, psychiatry, pediatrics,
3 infectious disease, family medicine, and pharmacy, and three
4 patients or primary caregivers with valid medical cannabis
5 registration cards. The practitioners shall be nationally
6 board-certified in their area of specialty and knowledgeable
7 about the use of medical cannabis.

8 2. A quorum of the advisory board shall consist of seven
9 members.

10 3. The duties of the advisory board shall include but not be
11 limited to the following:

12 a. Reviewing and recommending to the department for
13 approval additional chronic or debilitating diseases or
14 medical conditions or their treatments as debilitating medical
15 conditions that qualify for the use of medical cannabis under
16 this chapter.

17 b. Accepting and reviewing petitions to add chronic or
18 debilitating diseases or medical conditions or their medical
19 treatments to the list of debilitating medical conditions that
20 qualify for the use of medical cannabis under this chapter.

21 c. Working with the department regarding the requirements
22 for the licensure of medical cannabis manufacturers and medical
23 cannabis dispensaries, including licensure procedures.

24 d. Advising the department regarding the location of
25 medical cannabis dispensaries throughout the state, the form
26 and quantity of allowable medical cannabis to be dispensed
27 to a patient or primary caregiver, and the general oversight
28 of medical cannabis manufacturers and medical cannabis
29 dispensaries in this state.

30 e. Convening at least twice per year to conduct public
31 hearings and to review and recommend for approval petitions,
32 which shall be maintained as confidential personal health
33 information, to add chronic or debilitating diseases or
34 medical conditions or their medical treatments to the list of
35 debilitating medical conditions that qualify for the use of

1 medical cannabis under this chapter.

2 *f.* Recommending improvements relating to the effectiveness
3 of the provisions of this chapter.

4 *g.* In making recommendations pursuant to this section,
5 consideration of the economic and financial impacts on patients
6 and the medical cannabis industry, and making recommendations
7 that minimize the extent of such impacts to the greatest extent
8 practicable.

9 **Sec. 11. NEW SECTION. 124E.6 Medical cannabis manufacturer**
10 **licensure.**

11 1. *a.* The department shall license up to four medical
12 cannabis manufacturers to manufacture medical cannabis within
13 this state consistent with the provisions of this chapter by
14 December 1, 2017. The department shall license new medical
15 cannabis manufacturers or relicense the existing medical
16 cannabis manufacturers by December 1 of each year.

17 *b.* Information submitted during the application process
18 shall be confidential until the medical cannabis manufacturer
19 is licensed by the department unless otherwise protected from
20 disclosure under state or federal law.

21 2. As a condition for licensure, a medical cannabis
22 manufacturer must agree to begin supplying medical cannabis to
23 medical cannabis dispensaries in this state by July 2, 2018.

24 3. The department shall consider the following factors in
25 determining whether to license a medical cannabis manufacturer:

26 *a.* The technical expertise of the medical cannabis
27 manufacturer regarding medical cannabis.

28 *b.* The qualifications of the medical cannabis manufacturer's
29 ownership and management team.

30 *c.* The long-term financial stability of the medical cannabis
31 manufacturer.

32 *d.* The ability to provide appropriate security measures on
33 the premises of the medical cannabis manufacturer.

34 *e.* Whether the medical cannabis manufacturer has
35 demonstrated an ability to meet certain medical cannabis

1 production needs for medical use regarding the range of
2 recommended dosages for each debilitating medical condition,
3 the range of chemical compositions of any plant of the genus
4 cannabis that will likely be medically beneficial for each
5 of the debilitating medical conditions, and the form of the
6 medical cannabis in the manner determined by the department
7 pursuant to rule.

8 *f.* The medical cannabis manufacturer's projection of and
9 ongoing assessment of fees on patients with debilitating
10 medical conditions.

11 *g.* The medical cannabis manufacturer's experience in medical
12 cannabis production, plant extraction, and pharmaceutical
13 formulations.

14 4. The department shall require each medical cannabis
15 manufacturer to contract with a laboratory approved by the
16 department to test the medical cannabis produced by the
17 manufacturer. The department shall require that the laboratory
18 report testing results to the manufacturer in a manner
19 determined by the department pursuant to rule.

20 5. Each entity submitting an application for licensure
21 as a medical cannabis manufacturer shall pay a nonrefundable
22 application fee of fifteen thousand dollars to the department.

23 **Sec. 12. NEW SECTION. 124E.7 Medical cannabis**
24 **manufacturers.**

25 1. A medical cannabis manufacturer shall contract with a
26 laboratory approved by the department for purposes of testing
27 the medical cannabis manufactured by the medical cannabis
28 manufacturer as to content, contamination, and consistency.
29 The cost of all laboratory testing shall be paid by the medical
30 cannabis manufacturer.

31 2. The operating documents of a medical cannabis
32 manufacturer shall include all of the following:

33 *a.* Procedures for the oversight of the medical cannabis
34 manufacturer and procedures to ensure accurate recordkeeping.

35 *b.* Procedures for the implementation of appropriate security

1 measures to deter and prevent the theft of medical cannabis and
2 unauthorized entrance into areas containing medical cannabis.

3 3. A medical cannabis manufacturer shall implement security
4 requirements, including requirements for protection of each
5 location by a fully operational security alarm system, facility
6 access controls, perimeter intrusion detection systems, and a
7 personnel identification system.

8 4. A medical cannabis manufacturer shall not share
9 office space with, refer patients to, or have any financial
10 relationship with a health care practitioner.

11 5. A medical cannabis manufacturer shall not permit any
12 person to consume medical cannabis on the property of the
13 medical cannabis manufacturer.

14 6. A medical cannabis manufacturer is subject to reasonable
15 inspection by the department.

16 7. A medical cannabis manufacturer shall not employ a
17 person who is under eighteen years of age or who has been
18 convicted of a disqualifying felony offense. An employee
19 of a medical cannabis manufacturer shall be subject to a
20 background investigation conducted by the division of criminal
21 investigation of the department of public safety and a national
22 criminal history background check.

23 8. A medical cannabis manufacturer shall not operate in any
24 location, whether for manufacturing, cultivating, harvesting,
25 packaging, or processing, within one thousand feet of a public
26 or private school existing before the date of the medical
27 cannabis manufacturer's licensure by the department.

28 9. A medical cannabis manufacturer shall comply with
29 reasonable restrictions set by the department relating to
30 signage, marketing, display, and advertising of medical
31 cannabis.

32 10. a. A medical cannabis manufacturer shall provide a
33 reliable and ongoing supply of medical cannabis to medical
34 cannabis dispensaries pursuant to this chapter.

35 b. All manufacturing, cultivating, harvesting, packaging,

1 and processing of medical cannabis shall take place in an
2 enclosed, locked facility at a physical address provided to the
3 department during the licensure process.

4 *c.* A medical cannabis manufacturer shall not manufacture
5 edible medical cannabis products utilizing food coloring.

6 *d.* A medical cannabis manufacturer shall manufacture a
7 reliable and ongoing supply of medical cannabis to treat every
8 debilitating medical condition listed in this chapter.

9 11. The department shall establish and collect an annual
10 fee from a medical cannabis manufacturer not to exceed the cost
11 of regulating and inspecting the manufacturer in the calendar
12 year.

13 **Sec. 13. NEW SECTION. 124E.8 Medical cannabis dispensary**
14 **licensure.**

15 1. *a.* The department shall license by April 2, 2018, twelve
16 medical cannabis dispensaries to dispense medical cannabis
17 within this state consistent with the provisions of this
18 chapter. The department shall license new medical cannabis
19 dispensaries or relicense the existing medical cannabis
20 dispensaries by December 1 of each year.

21 *b.* Information submitted during the application process
22 shall be confidential until the medical cannabis dispensary
23 is licensed by the department unless otherwise protected from
24 disclosure under state or federal law.

25 2. As a condition for licensure, a medical cannabis
26 dispensary must agree to begin supplying medical cannabis to
27 patients by July 16, 2018.

28 3. The department shall consider the following factors in
29 determining whether to license a medical cannabis dispensary:

30 *a.* The technical expertise of the medical cannabis
31 dispensary regarding medical cannabis.

32 *b.* The qualifications of the medical cannabis dispensary's
33 owners and management team.

34 *c.* The long-term financial stability of the medical cannabis
35 dispensary.

1 *d.* The ability to provide appropriate security measures on
2 the premises of the medical cannabis dispensary.

3 *e.* The medical cannabis dispensary's projection and ongoing
4 assessment of fees for the purchase of medical cannabis on
5 patients with debilitating medical conditions.

6 4. Each entity submitting an application for licensure
7 as a medical cannabis dispensary shall pay a nonrefundable
8 application fee of fifteen thousand dollars to the department.

9 Sec. 14. NEW SECTION. **124E.9 Medical cannabis dispensaries.**

10 1. *a.* Medical cannabis dispensaries shall be located based
11 on geographical need throughout the state to improve patient
12 access.

13 *b.* A medical cannabis dispensary may dispense medical
14 cannabis pursuant to the provisions of this chapter but shall
15 not dispense any medical cannabis in a form or quantity other
16 than the form or quantity allowed by the department pursuant
17 to rule.

18 2. The operating documents of a medical cannabis dispensary
19 shall include all of the following:

20 *a.* Procedures for the oversight of the medical cannabis
21 dispensary and procedures to ensure accurate recordkeeping.

22 *b.* Procedures for the implementation of appropriate security
23 measures to deter and prevent the theft of medical cannabis and
24 unauthorized entrance into areas containing medical cannabis.

25 3. A medical cannabis dispensary shall implement security
26 requirements, including requirements for protection by a fully
27 operational security alarm system, facility access controls,
28 perimeter intrusion detection systems, and a personnel
29 identification system.

30 4. A medical cannabis dispensary shall not share office
31 space with, refer patients to, or have any financial
32 relationship with a health care practitioner.

33 5. A medical cannabis dispensary shall not permit any person
34 to consume medical cannabis on the property of the medical
35 cannabis dispensary.

1 6. A medical cannabis dispensary is subject to reasonable
2 inspection by the department.

3 7. A medical cannabis dispensary shall not employ a
4 person who is under eighteen years of age or who has been
5 convicted of a disqualifying felony offense. An employee
6 of a medical cannabis dispensary shall be subject to a
7 background investigation conducted by the division of criminal
8 investigation of the department of public safety and a national
9 criminal history background check.

10 8. A medical cannabis dispensary shall not operate in any
11 location within one thousand feet of a public or private school
12 existing before the date of the medical cannabis dispensary's
13 licensure by the department.

14 9. A medical cannabis dispensary shall comply with
15 reasonable restrictions set by the department relating to
16 signage, marketing, display, and advertising of medical
17 cannabis.

18 10. Prior to dispensing of any medical cannabis, a medical
19 cannabis dispensary shall do all of the following:

20 a. Verify that the medical cannabis dispensary has received
21 a valid medical cannabis registration card from a patient or a
22 patient's primary caregiver, if applicable.

23 b. Assign a tracking number to any medical cannabis
24 dispensed from the medical cannabis dispensary.

25 c. (1) Properly package medical cannabis in compliance with
26 federal law regarding child resistant packaging and exemptions
27 for packaging for elderly patients, and label medical cannabis
28 with a list of all active ingredients and individually
29 identifying information, including all of the following:

30 (a) The name and date of birth of the patient and the
31 patient's primary caregiver, if appropriate.

32 (b) The medical cannabis registration card numbers of the
33 patient and the patient's primary caregiver, if applicable.

34 (c) The chemical composition of the medical cannabis.

35 (2) Proper packaging of medical cannabis shall include but

1 not be limited to all of the following:

2 (a) Warning labels regarding the use of medical cannabis by
3 a woman during pregnancy and while breastfeeding.

4 (b) Clearly labeled packaging indicating that an edible
5 medical cannabis product contains medical cannabis and which
6 packaging shall not imitate candy products or in any way make
7 the product marketable to children.

8 Sec. 15. NEW SECTION. 124E.10 Fees.

9 Medical cannabis registration card fees and medical cannabis
10 manufacturer and medical cannabis dispensary application
11 and annual fees collected by the department pursuant to
12 this chapter shall be retained by the department, shall be
13 considered repayment receipts as defined in section 8.2, and
14 shall be used for the purpose of regulating medical cannabis
15 manufacturers and medical cannabis dispensaries and for other
16 expenses necessary for the administration of this chapter.

17 Sec. 16. NEW SECTION. 124E.11 Department duties — rules.

18 1. a. The department shall maintain a confidential file of
19 the names of each patient to or for whom the department issues
20 a medical cannabis registration card, the name of each primary
21 caregiver to whom the department issues a medical cannabis
22 registration card under section 124E.4, and the names of each
23 health care practitioner who provides a written certification
24 for medical cannabis pursuant to this chapter.

25 b. Individual names contained in the file shall be
26 confidential and shall not be subject to disclosure, except as
27 provided in subparagraph (1).

28 (1) Information in the confidential file maintained
29 pursuant to paragraph "a" may be released on an individual basis
30 to the following persons under the following circumstances:

31 (a) To authorized employees or agents of the department and
32 the department of transportation as necessary to perform the
33 duties of the department and the department of transportation
34 pursuant to this chapter.

35 (b) To authorized employees of state or local law

1 enforcement agencies, but only for the purpose of verifying
2 that a person is lawfully in possession of a medical cannabis
3 registration card issued pursuant to this chapter.

4 (c) To authorized employees of a medical cannabis
5 dispensary, but only for the purpose of verifying that a person
6 is lawfully in possession of a medical cannabis registration
7 card issued pursuant to this chapter.

8 (d) To any other authorized persons recognized by the
9 department by rule, but only for the purpose of verifying
10 that a person is lawfully in possession of a medical cannabis
11 registration card issued pursuant to this chapter.

12 (2) Release of information pursuant to subparagraph
13 (1) shall be consistent with the federal Health Insurance
14 Portability and Accountability Act of 1996, Pub. L. No.
15 104-191.

16 2. The department shall adopt rules pursuant to chapter
17 17A to administer this chapter which shall include but not be
18 limited to rules to do all of the following:

19 a. Govern the manner in which the department shall consider
20 applications for new and renewal medical cannabis registration
21 cards.

22 b. Identify criteria and set forth procedures for
23 including additional chronic or debilitating diseases or
24 medical conditions or their medical treatments on the list of
25 debilitating medical conditions that qualify for the use of
26 medical cannabis. Procedures shall include a petition process
27 and shall allow for public comment and public hearings before
28 the medical advisory board.

29 c. Set forth additional chronic or debilitating diseases
30 or medical conditions or associated medical treatments for
31 inclusion on the list of debilitating medical conditions that
32 qualify for the use of medical cannabis as recommended by the
33 medical advisory board.

34 d. Establish, in consultation with medical cannabis
35 manufacturers and medical cannabis dispensaries, the form and

1 quantity of medical cannabis allowed to be dispensed to a
2 patient or primary caregiver pursuant to this chapter. The
3 form and quantity of medical cannabis shall be appropriate to
4 serve the medical needs of patients with debilitating medical
5 conditions.

6 *e.* Establish, in conjunction with the medical advisory
7 board, requirements for the licensure of medical cannabis
8 manufacturers and medical cannabis dispensaries and set forth
9 procedures for medical cannabis manufacturers and medical
10 cannabis dispensaries to obtain licenses.

11 *f.* Develop a dispensing system for medical cannabis within
12 this state that provides for all of the following:

13 (1) Medical cannabis dispensaries within this state housed
14 on secured grounds and operated by licensed medical cannabis
15 dispensaries.

16 (2) The dispensing of medical cannabis to patients and
17 their primary caregivers to occur at locations designated by
18 the department.

19 *g.* Establish and collect annual fees from medical cannabis
20 manufacturers and medical cannabis dispensaries to cover
21 the costs associated with regulating and inspecting medical
22 cannabis manufacturers and medical cannabis dispensaries.

23 *h.* Specify and implement procedures that address public
24 safety including security procedures and product quality
25 including measures to ensure contaminant-free cultivation of
26 medical cannabis, safety, and labeling.

27 *i.* Establish and implement a medical cannabis inventory
28 and delivery tracking system to track medical cannabis
29 from production by a medical cannabis manufacturer through
30 dispensing at a medical cannabis dispensary.

31 **Sec. 17. NEW SECTION. 124E.12 Reciprocity.**

32 A valid medical cannabis registration card, or its
33 equivalent, issued under the laws of another state that allows
34 an out-of-state patient to possess or use medical cannabis in
35 the jurisdiction of issuance shall have the same force and

1 effect as a valid medical cannabis registration card issued
2 pursuant to this chapter, except that an out-of-state patient
3 in this state shall not obtain medical cannabis from a medical
4 cannabis dispensary in this state and an out-of-state patient
5 shall not smoke medical cannabis.

6 Sec. 18. NEW SECTION. 124E.13 Use of medical cannabis —
7 **affirmative defenses.**

8 1. A health care practitioner, including any authorized
9 agent or employee thereof, shall not be subject to
10 prosecution for the unlawful certification, possession, or
11 administration of marijuana under the laws of this state for
12 activities arising directly out of or directly related to the
13 certification or use of medical cannabis in the treatment of
14 a patient diagnosed with a debilitating medical condition as
15 authorized by this chapter.

16 2. A medical cannabis manufacturer, including any
17 authorized agent or employee thereof, shall not be subject
18 to prosecution for manufacturing, possessing, cultivating,
19 harvesting, packaging, processing, transporting, or supplying
20 medical cannabis pursuant to this chapter.

21 3. A medical cannabis dispensary, including any authorized
22 agent or employee thereof, shall not be subject to prosecution
23 for transporting, supplying, or dispensing medical cannabis
24 pursuant to this chapter.

25 *a.* In a prosecution for the unlawful possession of marijuana
26 under the laws of this state, including but not limited to
27 chapters 124 and 453B, it is an affirmative and complete
28 defense to the prosecution that the patient has been diagnosed
29 with a debilitating medical condition, used or possessed
30 medical cannabis pursuant to a certification by a health care
31 practitioner as authorized under this chapter, and, for a
32 patient eighteen years of age or older, is in possession of a
33 valid medical cannabis registration card.

34 *b.* In a prosecution for the unlawful possession of marijuana
35 under the laws of this state, including but not limited to

1 chapters 124 and 453B, it is an affirmative and complete
2 defense to the prosecution that the person possessed medical
3 cannabis because the person is a primary caregiver of a patient
4 who has been diagnosed with a debilitating medical condition
5 and is in possession of a valid medical cannabis registration
6 card, and where the primary caregiver's possession of the
7 medical cannabis is on behalf of the patient and for the
8 patient's use only as authorized under this chapter.

9 c. If a patient or primary caregiver is charged with the
10 commission of a crime and is not in possession of the person's
11 medical cannabis registration card, any charge or charges filed
12 against the person shall be dismissed by the court if the
13 person produces to the court prior to or at the person's trial
14 a medical cannabis registration card issued to that person and
15 valid at the time the person was charged.

16 4. An agency of this state or a political subdivision
17 thereof, including any law enforcement agency, shall not remove
18 or initiate proceedings to remove a patient under the age
19 of eighteen from the home of a parent based solely upon the
20 parent's or patient's possession or use of medical cannabis as
21 authorized under this chapter.

22 Sec. 19. NEW SECTION. 124E.14 Penalties.

23 1. A person who knowingly or intentionally possesses or
24 uses medical cannabis in violation of the requirements of this
25 chapter is subject to the penalties provided under chapters 124
26 and 453B.

27 2. A medical cannabis manufacturer or a medical cannabis
28 dispensary shall be assessed a civil penalty of up to one
29 thousand dollars per violation for any violation of this
30 chapter in addition to any other applicable penalties.

31 Sec. 20. NEW SECTION. 124E.15 Use of medical cannabis —
32 smoking prohibited.

33 A patient shall not consume medical cannabis possessed
34 or used as authorized under this chapter by smoking medical
35 cannabis.

1 Sec. 21. NEW SECTION. 124E.16 **Employment.**

2 1. An employer in this state may retain, create, reinstate,
3 or enforce a written zero tolerance policy prohibiting the
4 possession or use of medical cannabis or any derivative
5 thereof including cannabidiol by an employee in the employer's
6 workplace, including but not limited to a policy prohibiting
7 an employee from having any detectable amount of medical
8 cannabis or any derivative thereof including cannabidiol in the
9 employee's body while at work.

10 2. An employer's prohibition of the possession or use
11 of medical cannabis or any derivative thereof including
12 cannabidiol under this section shall not be considered to be
13 an unfair or discriminatory employment practice under section
14 216.6.

15 Sec. 22. Section 730.5, subsection 11, Code 2017, is amended
16 by adding the following new paragraph:

17 NEW PARAGRAPH. *f.* Testing or taking action against an
18 individual with a confirmed positive test result due to the
19 individual's use of medical cannabis as authorized under
20 chapter 124E.

21 Sec. 23. REPEAL. Chapter 124D, Code 2017, is repealed.

22 Sec. 24. EMERGENCY RULES. The department may adopt
23 emergency rules under section 17A.4, subsection 3, and section
24 17A.5, subsection 2, paragraph "b", to implement the provisions
25 of this Act and the rules shall be effective immediately upon
26 filing unless a later date is specified in the rules. Any
27 rules adopted in accordance with this section shall also be
28 published as a notice of intended action as provided in section
29 17A.4.

30 Sec. 25. TRANSITION PROVISIONS. A medical cannabidiol
31 registration card issued under chapter 124D prior to the
32 effective date of this Act, remains effective and continues
33 in effect as issued for the twelve-month period following its
34 issuance. This Act does not preclude a medical cannabidiol
35 registration card holder from seeking to renew the registration

1 card under this Act prior to the expiration of the twelve-month
2 period.

3 Sec. 26. EFFECTIVE UPON ENACTMENT. This Act, being deemed
4 of immediate importance, takes effect upon enactment.>

5 ___. Title page, by striking lines 1 through 4 and inserting
6 <An Act concerning the medical use of cannabis including the
7 establishment of the compassionate use of medical cannabis Act
8 and the scheduling of a cannabidiol investigational product
9 approved as a prescription drug medication under federal law,
10 reclassifying marijuana, including tetrahydrocannabinols, from
11 a schedule I controlled substance to a schedule II controlled
12 substance, providing for civil and criminal penalties and fees,
13 and including effective date provisions.>>

M. SMITH of Marshall